



DIRECT ACCOUNTS

FOR: _____

Your Cartier Allocation Is _____ cases of Cartier 20's
_____ cases of Cartier 10's*

INTRODUCTORY OFFER

10/9/89 – 12/1/89

3 1/4% plus 30 days

Special Introductory Allowance up to Allocation	$\frac{\$ 6.00}{(\text{per 3M case})}$	\times	$\frac{\text{_____}}{(\# \text{ of cases})}$	$=$	$\frac{\$ \text{_____}}{(\text{Allowance})}$
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Early Acceptance Allowance (if invoiced by 11/3/89)	$\frac{\$ 6.00}{(\text{per 3M case})}$	\times	$\frac{\text{_____}}{(\# \text{ of cases})}$	$=$	$\frac{\$ \text{_____}}{(\text{Allowance})}$
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Full Distribution Bonus up to Allocation (all 4 Cartier packings)	$\frac{\$ 3.00}{(\text{per 3M case})}$	\times	$\frac{\text{_____}}{(\# \text{ of cases})}$	$=$	$\frac{\$ \text{_____}}{(\text{Allowance})}$
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Sum of Allowances = \$ _____

* Special hand stamping allowance of 10 cents per carton on Cartier 10's.



DIRECT ACCOUNTS

\$ _____ GROSS PROFIT FROM ALLOCATION

For: _____

Based on _____ cases of Cartier 20's purchased \times $\frac{\$ 203.10}{\text{(your cost)}}$ = $\frac{\$ \text{_____}}{\text{(Investment)}}$

Based on _____ cases of Cartier 10's purchased \times $\frac{\$ 263.40}{\text{(your cost)}}$ = $\frac{\$ \text{_____}}{\text{(Investment)}}$

TOTAL = $\frac{\$ \text{_____}}{\text{(Investment)}}$

Sales of Cartier 20's: $\frac{\$ \text{_____}}{\text{(Investment)}} \times \frac{\text{_____}}{\text{(Mark-up)}} \% = \frac{\$ \text{_____}}{\text{(Gross Profit)}}$

Sales of Cartier 10's: $\frac{\$ \text{_____}}{\text{(Investment)}} \times \frac{\text{_____}}{\text{(Mark-up)}} \% = \frac{\$ \text{_____}}{\text{(Gross Profit)}}$

TOTAL = $\frac{\$ \text{_____}}{\text{(Gross Profit)}}$

PLUS

Sum of Allowances = $\$ \text{_____}$

Total gross profit from the sales of Cartier's
initial allocation = $\$ \text{_____}$

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DIRECT ACCOUNT
ALLOCATION/SHIPPING DATES

Account _____ Date _____

<i>ALLOCATIONS</i>		
<i>OFFERED</i>		<i>ACCEPTED</i> —
_____	<i>Cartier Vendome 20's Regular</i>	_____
_____	<i>Cartier Vendome 20's Menthol</i>	_____
_____	<i>Cartier Vendome 10's Regular</i>	_____
_____	<i>Cartier Vendome 10's Menthol</i>	_____

<i>SHIPPING DATES</i>		
<i>DELIVERY DATE</i>	<i>QUANTITY</i>	
_____	_____	<i>Cartier Vendome 20's Regular</i>
_____	_____	<i>Cartier Vendome 20's Menthol</i>
_____	_____	<i>Cartier Vendome 10's Regular</i>
_____	_____	<i>Cartier Vendome 10's Menthol</i>

Comments: _____

Account Authorization

PM Representative

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*Cartier Vendome Premium Cigarettes
Los Angeles Test Market Introduction*

WAVE II GRATIS

October 30, 1989 – December 22, 1989

20% gratis is offered if all four packings are accepted

10% gratis is offered if 1–3 packings are accepted

NOTE: Gratis will be offered to all accounts only
once during the introductory period with a
two carton maximum per outlet

RETAIL MERCHANDISING

Permanent 20-Pack Counter Display \$35.00/Mo.

Small Counter Displays: 20 packs \$10.00/Mo.
(20's and 10's)

10 packs \$7.00/Mo.
(only 20's)

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SWITCH SELLING

Weeks 1-12

Six 10's per day

UPC CODES

<u>Packing</u>	<u>Case</u>	<u>Carton</u>	<u>Pack</u>	<u>Suppressed</u>
10's Reg	07000	17000	00700	287002
10's Men	07010	17010	00701	287012
20's Reg	07020	17020	00702	287022
20's Men	07030	17030	00703	287032

SUGGESTED RETAIL PRICE

Cartier 10's: Consistent with the price of a 100mm full margin 20's pack or carton at retail

Cartier 20's: 62% above the price of a 100mm full margin 20's pack or carton at retail

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MEDIA LIST

Magazines

Architectural Digest
ARTnews
Conde Nast Traveler
European Travel & Life
Town & Country
Travel & Leisure
Cosmopolitan
Elle
Glamour
Harper's Bazaar
Vogue
Lear's
Vanity Fair
Bon Appetit
Gourmet
House Beautiful
Metropolitan Home
California (Southern edition)
L.A. Style
Los Angeles Magazine

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SUGGESTED RETAIL PRICE

*Cartier 10's: Consistent with the price
of a full margin 20's pack
or carton at retail*

*Cartier 20's: 62% above the price of a
100mm full margin 20's
pack or carton at retail*

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\$ _____ *GROSS PROFIT* *

For: _____

Based on _____ cartons of Cartier 20's purchased \times \$ _____ = \$ _____
(wholesale cost) (Investment)

Based on _____ cartons of Cartier 10's purchased \times \$ _____ = \$ _____
(wholesale cost) (Investment)

Sales of
Cartier 20's: _____ \times \$ _____ - \$ _____ = \$ _____
(# of packs) (retail price/pack) (Investment) (Gross Profit)

Sales of
Cartier 10's: _____ \times \$ _____ - \$ _____ = \$ _____
(# of packs) (retail price/pack) (Investment) (Gross Profit)

Sales of Cartier 20's
Gratis: _____ \times \$ _____ = \$ _____
(# of packs) (retail price/pack) (Gross Profit)

Sales of Cartier 10's
Gratis: _____ \times \$ _____ = \$ _____
(# of packs) (retail price/pack) (Gross Profit)

Total gross profit from Cartier sales = \$ _____

Display Allowance + \$ _____ / Mo.

Total Gross Profit * = \$ _____

* Assuming you turn your initial investment only once during the first month.

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